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Environment and sustainable development

Promotion of new and renewable sources of energy, including the implementation of the World Solar Programme 1996-2005

Report of the Secretary-General

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I. Introduction

1. The General Assembly, in its resolution 53/7, endorsed the World Solar Programme 1996-2005 as a contribution to the overall sustainable development agenda; in its resolution 54/215, the Assembly called for further action to ensure that the Programme was fully integrated into and brought into the mainstream of the efforts of the United Nations system towards attaining the objective of sustainable development. The Assembly also emphasized that the achievement of more substantive results in the implementation of the World Solar Programme 1996-2005, as part of the promotion of new and renewable sources of energy, would require the more active and collaborative involvement of all concerned parties, including Governments, multilateral funding agencies and relevant parts of the United Nations system.

2. Taking note with appreciation of the report of the Secretary-General on the World Solar Programme 1996-2005 (A/54/212), including measures taken by the various entities of the United Nations system for the implementation of the Programme, the General Assembly called upon all relevant funding institutions and bilateral and multilateral donors, as well as regional funding institutions and non-governmental organizations, to support, as appropriate, the efforts being made for the development of the renewable energy sector in developing countries on the basis of environment-friendly, renewable sources of energy of demonstrated viability, and invited all Governments to encourage the involvement of all relevant stakeholders, including the private sector, in the promotion of research on and the development of renewable sources of energy, in particular in the implementation of the World Solar Programme 1996-2005, in accordance with their respective national policies. The Assembly requested the Secretary-General, in consultation with the United Nations Educational, Scientific and Cultural Organization (UNESCO) and in cooperation with the United Nations Environment Programme (UNEP) and other relevant organizations, to submit to it, at its fifty-fifth session, a report on the concrete action being taken for the effective implementation of the World Solar Programme 1996-2005, including promotion for the mobilization of resources. The present report has been prepared pursuant to that request.

II. Background

3. Over the past few decades, scientists and environmentalists have improved their understanding of the environmental impacts of the extraction and utilization of conventional and nuclear energy resources. It is now clear that environmental impacts of releases into the atmosphere of anthropogenic pollutants, greenhouse gases and radioactive gases and dust extend beyond national boundaries. The consequences of degraded urban air quality, acid precipitation and global warming make clear that the extraction and utilization of these resources can negatively impact the ecosystems of the Earth. For example, the rate of carbon dioxide emission into the atmosphere exceeds the rate at which the oceans and vegetation remove it. This unsustainable situation cannot continue indefinitely without the occurrence of natural adjustments that are expected to result in negative economic and social impacts. Therefore, it is clear that the need to mitigate and, where possible, prevent these impacts will increasingly influence the evolution of the global economy.

4. It is widely reported that some 2 billion people have no access to commercial energy. This means that nearly 35 per cent of the world's population has inadequate energy for cooking, lighting, heating and/or air conditioning of their homes, clinics, schools and community centres, a situation that acts as a significant brake on the development process. Renewable energy programmes, including the World Solar Programme, can provide solutions to the energy problems of rural areas, as well as contribute to solving those of the urban poor, and thereby improve the quality of life in such areas.

5. Growing environmental and social concerns, both on the part of decision makers and the general public, have brought a new dimension to the perception of renewable energy as being capable of altering the energy mix significantly in the long run in favour of sustainable energy. The World Solar Programme 1996-2005 is an instrument at the service of the international community for the promotion and enhanced utilization of environment-friendly, renewable sources of energy.[1]

III. Relationship to the Programme for the Further Implementation of Agenda 21

6. The General Assembly, in the Programme for the Further Implementation of Agenda 21, decided that energy issues should be addressed at the ninth session of the Commission on Sustainable Development, to be held in 2001 (see Assembly resolution S-19/2, annex, para. 46 (a) and appendix). Within the framework of the preparatory process for that session, the first session of the Ad Hoc Open-ended Intergovernmental Group of Experts on Energy and Sustainable Development was held in New York from 6 to 10 March 2000. The Co-Chairperson's summary of the discussion, contained in the report on the session (E/CN.17/2000/12) indicates that the preparations for the ninth session of the Commission should build on Agenda 21, taking into account the principle of common but differentiated responsibilities, and that it could also take into account the Programme of Action for the Sustainable Development of Small Island Developing States,[2] the outcome of the twenty-second special session of the General Assembly, the World Solar Programme 1996-2005 and other existing international documents that address energy issues. Moreover, renewable energy was one of the key issues identified in the report of the Secretary-General to the Group of Experts (E/CN.17/ESD/2000/3) and endorsed by that body as contained in the report on its first session.

7. The Committee on Energy and Natural Resources for Development, which was originally scheduled to meet in 2001, has advanced its second session to August 2000 in order to provide timely input into the preparatory process for the ninth session of the Commission. On the agenda of its second session, the Committee has an item on renewable energy, with special emphasis on solar energy, for which there will be a report of the Secretary-General. The report will focus on the current status of solar energy utilization worldwide, the constraints and barriers to, and the policies and actions that will accelerate, its utilization on a wider scale, and increasing financial investment in support of those actions.

IV. International coordination and cooperation

8. At its thirtieth session, held from 26 October to 17 November 1999, the General Conference of UNESCO adopted a resolution on the World Solar Programme 1996-2005 (30C/resolution 19),[3] authorizing the Director-General of UNESCO to, *inter alia*, undertake concrete action on the basis of United Nations General Assembly resolution 53/7. The World Solar Commission and its General Secretariat (located in the Division of Engineering and Technology of UNESCO) continues to guide and coordinate the implementation of a number of projects included in the World Solar Programme 1996-2005. Since the fifty-third session of the General Assembly, closer cooperation between the involved entities of the United Nations system has been achieved through the Ad Hoc Inter-agency Task Force on Energy. Moreover, the first session of the Committee on Energy and Natural Resources for Development, held in New York from 5 to 16 April 1999, noted the valuable recommendations for accelerating the development and deployment of renewable energy technologies contained in the World Solar Programme 1996-2005.

9. During 1999, UNESCO initiated the preparation of a global renewable energy education and training programme, as one of the five major projects of universal scope included in the World Solar Programme 1996-2005. In view of the priority needs of African countries as regards capacity-building in the area of renewable energy applications, the African chapter of the project was completed first, at the end of 1999. The education and training programmes were noted with appreciation by the General Assembly at its fifty-fourth session (resolution 54/215) and by the General Conference of UNESCO at its thirtieth session (30C/resolution 19).

10. Efforts continue to be made within the United Nations system to promote policies and programmes for the development and utilization of renewable energy resources and to foster cooperation in the implementation of international, regional and national projects, in accordance with General Assembly resolutions 53/7 and 54/215, in pursuance of the implementation of Agenda 21 and, thereby, towards attaining the objectives of sustainable development.

11. In response to the demands of Member States and in line with their priorities, the entities of the United

Nations system are involved in a broad range of technical cooperation activities. Prominent among these activities are those intended to promote the widespread development and application of renewable energy technologies, particularly to improve access to modern energy services by rural populations, and including capacity-building and institutional development, to achieve the economic, social and environmental objectives of sustainable development.

12. The Department of Economic and Social Affairs of the United Nations Secretariat, which has had a renewable energy programme for nearly three decades, is undertaking a number of initiatives with regard to the development and utilization of these resources. With funds from the Global Environment Facility (GEF) and from the Governments of Austria, China and the Netherlands, the Department is implementing a large five-year project in China to remove barriers to the rapid commercialization of renewable energy and to demonstrate some key applications. In the Arab States, a regional project funded by the United Nations Development Programme (UNDP) is being implemented to build institutional capacities for renewable energy development, including entrepreneur development, standards and best practices. The project is building capacities and strengthening the enabling environment for the dissemination of renewable energy applications to address rural development. With financing from a trust fund established by the Government of Italy, the Department is assisting small island developing States with several concrete projects involving renewable energy applications such as solar lighting for homes, schools and community centres, and solar-operated radio, television and medicine refrigerators. Projects have recently been completed in Saint Lucia and Solomon Islands, and others are under implementation in Fiji, the Marshall Islands, Mauritius, the Federated States of Micronesia and Papua New Guinea. These projects bring tangible benefits of sustainable development to people in remote locations in small island developing States. At the invitation of the Government of the Syrian Arab Republic, the Department is undertaking a UNDP-funded project to develop a master plan for the development and application of renewable energy in that country.

13. The regional commissions, in particular the Economic Commission for Latin America and the Caribbean (ECLAC), the Economic and Social Commission for Asia and the Pacific (ESCAP) and the Economic and Social Commission for Western Asia, are implementing extensive programmes that promote the use of renewable sources of energy. In addition, ESCAP is undertaking a technical assistance project to promote the commercialization of renewable energy technologies in the Asian region.

14. In response to requests from its member countries to assist them in the further implementation of Agenda 21, the Food and Agriculture Organization of the United Nations (FAO) provides technical assistance to meet their energy requirements in agriculture, forestry and fisheries as a means of achieving sustainable development. Moreover, FAO provides assistance in strengthening their institutional and human capacities to implement rural energy and bioenergy programmes within the framework of the Kyoto Protocol to the United Nations Framework Convention on Climate Change. Within the context of an integrated approach for the assessment, planning and implementation of programmes for energy and rural development, renewable energy applications, such as photovoltaic systems, are promoted especially in relation to enhanced agricultural productivity and other income-generating activities. In placing special emphasis on bioenergy as a key component in the present energy scenario in rural areas and with a potential major role as a modern energy carrier, FAO assembles and provides wood energy data and projections and implements many technical assistance projects aimed at increasing the supply of biofuel, reducing fuelwood consumption through conservation and efficiency improvements, promoting renewable energy applications and promoting bioenergy for combined heat and power.

15. Among the energy-related projects funded by GEF, through its three implementing agencies (UNDP, UNEP and the World Bank), there are a large and increasing number devoted to promoting renewable energy technologies by reducing barriers, implementation costs and long-term technology costs.

16. UNDP, for its part, has continued its efforts in promoting renewable energy through many of the activities of the UNDP Initiative for Sustainable Energy, which focuses on using energy as one of the means to achieving the goal of sustainable human development. The Sustainable Energy Global Programme focuses on support for energy programme development, the mobilization of funds and strategic initiatives. The *World Energy Assessment*, jointly

established by UNDP, the Department of Economic and Social Affairs and the World Energy Council, is one of the key energy policy and strategic initiatives in preparation for the ninth session of the Commission on Sustainable Development. The chapter of the *World Energy Assessment* devoted to renewable energy concludes that, despite a number of factors that will have to be overcome in order to increase the market deployment of renewable energy technologies, transition to a renewables-based energy system would have to rely largely on (a) the successful internalization of the environmental costs and other externalities and the adoption of appropriate pricing policies for fossil fuels, and (b) the continued development and diffusion of renewable energy technologies that become increasingly competitive through cost reductions resulting from technological and organizational development.

17. The energy programme of UNEP broadly supports the objectives of the World Solar Programme, particularly those with an environmental link. Among its energy activities, UNEP, in promoting commercial financing of renewable energy investments with funding provided by GEF, has recently started a programme to help establish small, private sector energy companies in Africa that are based on renewable energy technologies. It has also prepared with the UNEP Collaborating Centre on Energy and Environment, a book on *Wind Energy in the 21st Century: Economics, Policy, Technology and the Changing Electricity Industry*, and is preparing a global study on the potential for adding photovoltaic systems to existing hydropower facilities. Moreover, UNEP and the Centre, in their efforts to promote increased utilization of renewable energy technologies, are collaborating with a variety of other international organizations, including the Latin American Energy Organization and ECLAC in the Caribbean region and the South Pacific Applied Geoscience Commission and the South Pacific Regional Energy Programme in the Pacific region. At the request of the GEF secretariat, UNEP is undertaking a preliminary study to develop a common framework for the provision of data on solar and wind energy resources using geographic information systems. Finally, UNEP has recently launched a sustainable energy advisory facility that provides rapid and responsive assistance to Governments on a range of sustainable energy topics.

18. A number of energy-related projects of the United Nations Industrial Development Organization (UNIDO) support a broad series of initiatives at the policy, institutional and enterprise levels to provide a solid foundation for the widespread introduction of solar energy. In order to stimulate investment in renewable energy technologies, UNIDO disseminates information on the application of solar, wind and sustainable biomass energy, and has established a specialized Centre for the Application of Solar Energy in Australia to provide an effective service to commercialize solar energy.

19. In pursuance of its central themes for the energy sector programme, the World Bank is financing a number of projects to enhance the renewable contribution to the energy supply. These include: (a) the alternate energy project in India to promote and commercialize investment in wind farms and solar photovoltaic power systems; (b) the renewable resource development project, also in India, that promotes the commercialization of irrigation-based small hydropower schemes, wind farms and solar photovoltaic systems by financing private sector investment; and (c) the Leyte-Luzon geothermal project in the Philippines that will assist in meeting the rapidly growing demand for electrical power.

20. Among its activities for promoting sustainable energy production, the World Meteorological Organization continues to focus on the development, provision and use of climate information in the development of renewable sources of energy, specifically data on solar and wind resources.

V. Implementation of the World Solar Programme 1996-2005

21. A number of countries have taken legislative and executive action to promote renewable sources of energy in line with the recommendations contained in the Harare Declaration on Solar Energy and Sustainable Development. Although not exhaustive, the following examples provide a perspective on the type and extent of activities under way throughout the world in support of the World Solar Programme 1996-2005:

(a) In August 1999, the Inter-ministerial Committee on Economic Planning of the Government of Italy approved a "White book on the utilization of energy from renewable resources". The report outlines

the objectives to be pursued for each renewable source in order, *inter alia*, to reduce carbon dioxide emissions. Overall, electricity from renewable sources is expected to increase by 6.5 million tons of oil equivalent between 2008 and 2012. The report also calls for the establishment of a permanent unit of the Ministry of Industry to coordinate government action in favour of renewable energy, and increased research in that field nationally, within the European Union, and with developing countries, especially in the Mediterranean area;

(b) In 1999, the Government of Australia announced funding of A$ 10 million (US$ 6.6 million) under the "renewable energy showcase grant" programme to assist in the development and dissemination of renewable energy. Successful projects are expected to demonstrate a strong commercial potential, long-term technical and commercial viability of large-scale renewable energy applications, and a reduction in greenhouse gas emissions. As a result of another initiative taken following the adoption of the Kyoto Protocol, the Government of Australia will require that an additional 2 per cent of all electrical energy sold originates from renewable sources by 2010. In a third initiative, the Australian Parliament recently approved the goods and service tax, which calls for the revenue from an excise tax on diesel fuel used for power production to be reinvested in renewable energy projects, with effect from 1 July 2000;

(c) As previously mentioned, in 1999, China launched one of the largest renewable energy technical assistance projects. Financed by GEF and the Governments of Australia, China and the Netherlands, and executed by the Department of Economic and Social Affairs, the project focuses on accelerating the strengthening of the commercialization capacity of renewable energy in China. Specifically, the project aims at establishing a mechanism to attract the domestic and international investment needed for the large-scale exploitation of renewable energy in China;

(d) In Egypt, the New and Renewable Energy Authority (NREA), established in 1986, has served as the focal point for developing and promoting renewable energy technologies in the country. Created as a specialized centre within NREA, with support from the Governments of Egypt and Italy and the European Commission, the Egyptian Renewable Energy Development Organization carries out studies, research, testing and certification activities for the development of renewable energy components and systems. It also performs tests on equipment performance, reliability and durability, and on environmental effects;

(e) In the United States of America, an executive order was signed by the President that seeks to triple the use of biomass for electricity generation, transportation fuels and chemical feedstocks in the United States by 2010. The executive order directs the Government to set up a permanent Inter-agency Council on Biobased Products and Bioenergy, at the cabinet level, co-chaired by the Secretaries of Energy and Agriculture and including the Administrator of the Environmental Protection Agency and the Director of the National Science Foundation. The Council is supported by an advisory body composed of biomass industry leaders, farm and forestry sector representatives, university researchers and environmental groups, which are to provide information and advice. In the field of solar energy, a millennium solar roofs programme is being implemented. The programme aims at the installation of 1 million solar water and photovoltaic systems by 2010. At present, the trend is to go from demonstration and tests to a market-centred project primarily with private sector funding. The programme works through the creation of partnerships between the Department of Energy, local communities and national agencies concerned;

(f) The Government of India has made major strides in the exploitation of various renewable energy technologies. A large number of decentralized and centralized renewable energy installations have been set up in India. A number of policy measures have been taken by the Government to promote the large-scale use of renewable energy sources. A renewable energy policy statement is being formulated. It will focus on policy interventions and the creation of a conducive enabling environment to accelerate diffusion of renewable energy in the country and set a goal for power generation from renewable sources within the overall energy scene;

(g) The Government of Ecuador has created, within the Ministry of Energy and Mines, a Directorate of Alternative Energies that is responsible for the promotion of new and renewable sources of energy and energy efficiency. At present, the Directorate implements renewable energy projects, with special

emphasis on isolated areas, as a means of providing energy to the many rural settlements that have no access to electricity. One of these projects, included in the World Solar Programme 1996-2005, is the electrification of the Galapagos Islands, which is financed by GEF and the Government of Ecuador and implemented by the national power utility;

(h) The Government of Cuba has been implementing an ambitious rural electrification programme in order to improve the living standards and productivity of rural populations. The programme aims at bringing electricity almost exclusively from the exploitation of mini-hydro, wind, solar photovoltaic and biomass energy to all mountainous areas where it has not been feasible to extend the grid. Within the framework of the programme, a computerized graphic information system has been developed, making it possible to rapidly obtain the information required on the state of advancement of the rural electrification programme and of the utilization of renewable energy sources;

(i) The Government of Benin, implementing a recommendation of the African Solar Forum organized by the World Solar Commission, established in March 1999, a national solar committee with a permanent secretariat. The committee is responsible for guiding and coordinating all activities related to the World Solar Programme 1996-2005 in the country;

(j) The Government of Japan has approved a new energy introduction outline, which includes targets for the large-scale introduction of renewable energy technologies, focusing on solar photovoltaic and wind energy. The objective is to install more than 1 million primarily residential grid-connected photovoltaic systems by 2010. During this same period, it is also planned that the production of wind-generated electricity will increase from 21 to 300 MW.

22. Under the aegis of the World Solar Commission, and as part of the World Solar Programme 1996-2005, the following meetings have been held since the previous report of the Secretary-General:

(a) World Renewable Energy Congress, Kuala Lampur, 8-11 June 1999;

(b) Conference and Exhibition on World Solar Cooking and Food Processing: Strategies and Financing, Varese, Italy, 3-6 October 1999;

(c) Pan-European Forum on Business and Investment for Renewable Energy, Sofia, 1-3 December 1999.

VI. Conclusion

23. The number and size of the activities discussed in the present report demonstrate that there is an increasing interest worldwide in the use of renewable sources of energy and that progress has been achieved at the international, regional and national levels in the implementation of solar energy projects and programmes, including those of the World Solar Programme 1996-2005. In preparing for the deliberations of the Commission on Sustainable Development on energy issues at its ninth session, in 2001, the Inter-Agency Task Force on Energy is facilitating the contribution of the work under the World Solar Programme 1996-2005 and other complementary programmes to the consideration of the theme of energy by the Commission at that session, and continues its efforts to ensure that the World Solar Programme 1996-2005 is fully integrated and brought into the mainstream of the efforts of the United Nations system to attain the objectives of sustainable development.

Notes

[1] The term "solar" is used herein in a generic sense and refers to all forms of renewable energy, including the solar thermal, solar photovoltaic, biomass, wind, mini-hydro, tidal, ocean and geothermal forms.

[2] *Report of the Global Conference on the Sustainable Development of Small Island Developing States, Bridgetown, Barbados, 25 April-6 May 1994* (United Nations publication, Sales No. E.94.I.18 and corrigenda), chap. I, resolution 1, annex II.

[3] United Nations Educational, Scientific and Cultural Organization, *Records of the General Conference, Thirtieth Session, Paris, 26 October-17 November 1999*, vol. 1: *Resolutions*.

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Strengthening of the coordination of humanitarian and disaster relief assistance of the United Nations, including special economic assistance: special economic assistance to individual countries or regions

Emergency economic assistance to the Comoros

Report of the Secretary-General

I. Introduction

1. In its resolution 51/30 F of 13 December 1996, the General Assembly requested all Member States and donor bodies, as well as the specialized agencies and other organizations of the United Nations, to grant to the Comoros all necessary humanitarian, financial, economic and technical assistance, in order to enable it to achieve national reconstruction and sustainable development. The Assembly also requested the Secretary-General to dispatch to Moroni a multidisciplinary humanitarian and technical assessment mission in order to carry out a detailed study of the needs of the country in terms of assistance and to report to the General Assembly at its fifty-third session.

2. Following consideration of the report of the Secretary-General on emergency economic assistance to the Comoros (A/53/330), this resolution was followed by resolution 53/1 F, which was adopted at the fifty-ninth plenary meeting of the General Assembly on 16 November 1998. This report seeks to assess the efforts made by the international community in response to that resolution and to analyse the conditions in which it is being implemented.

II. General background

3. The Islamic Federal Republic of the Comoros is situated at the northern end of the Mozambique Channel between East Africa and Madagascar. The Comoros archipelago comprises four main islands, Grande Comore (Ngazidja), Mohéli (Mwali), Anjouan (Ndzouani) and Mayotte (Maoré), with land areas of 1,148, 290, 424 km^2 and 374 km^2 respectively (Mayotte has remained under French administration since the Comoros gained independence in 1975, notwithstanding the disapproval of the international community). Although all the islands are of volcanic origin, each has its own physical characteristics. In 1998, the population of Grande Comore, Mohéli and Anjouan was estimated to be 550,000. The overall population density is 286 inhabitants per km^2, one of the highest in Africa. Density varies from one island to the next: 526 inhabitants per km^2 in Anjouan, 240 inhabitants per km^2 in Grande Comore and 102 inhabitants per km^2 in Mohéli.

4. The population is characterized by its youth: 57 per cent is under the age of 20. The gross employment rate is 28 per cent, corresponding to an unemployment rate of 72 per cent. Formal demand for labour is decreasing, which is reflected in an unemployment rate

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of around 30 per cent of the active population. This situation is the result of a labour market characterized simultaneously by a geometric progression in the number of jobseekers, due to an ever growing influx of young people of working age, and a sharp drop in the number of vacancies, mainly in the public and parapublic sectors.

5. The Comoros, with a per capita gross domestic product (GDP) of 376 United States dollars in 1998, belongs to the group of least developed countries. According to a recent study on poverty in the Comoros, conducted in 1999 by the United Nations Development Programme (UNDP) together with the Government, assuming that an annual per capita income of 165,000 Comorian francs (or US$ 430) is the threshold of absolute poverty, 46 per cent of households, or around 50.6 per cent of the population of the Comoros, is living below the poverty line. The Comoros is characterized by a low level of human development. In the *Human Development Report 1998*,[1] the Comoros is ranked 139th out of 175 countries in the world, with a human development index (HDI) of 0.506.

6. The socio-economic context of the past 20 years, far from being a catalyst for the development of educational infrastructures and training programmes corresponding to the needs of the labour market, has exacerbated the shortage of skilled labour and reduced the opportunities for persons of working age to enter the job market. Whereas, in light of the growing population, the State should be expanding the educational infrastructure and taking steps to create jobs, in fact, it has been forced for almost 10 years to pursue a policy of curbing budgetary spending and cutting public sector staff; the social sectors (education and health) have been particularly hard hit.

III. Political, social and economic context

Evolution of the political situation

7. Since 1997, the Islamic Federal Republic of the Comoros has been torn by a separatist crisis, which was coupled with a political crisis following the military *coup d'état* that brought the army chief to power on 30 April 1999. The new head of State abolished the constitution and the democratic institutions established in 1996, promulgated as a first step a new constitutional charter which accorded him all executive and legislative powers, formed a Government of technocrats insufficiently representative of the major political currents and trends, and installed a Council of State to replace the Federal Assembly and its elected deputies. Relations between this Government and the political community, have been very strained since the coup and are improving very slowly and only for short periods, thus, the prospect of a general political settlement remains distant. However, on 29 November 1999, a pact was signed between 14 political parties and the head of State, necessitating the amendment of the constitutional charter promulgated in early May 1999 to allow for the appointment of a prime minister. A prime minister was appointed on 2 December and formed a coalition government with the signatory parties; its main tasks are to settle the Anjouan crisis, to place public finances on a sounder footing and to consider how to restore civilian rule.

8. Today, the country is effectively divided in two, as the island of Anjouan continues to be administered and to function outside the Republic. The Organization of African Unity (OAU) attempted in April 1999, in Antananarivo, Madagascar, to bring the positions of the various actors closer together and proposed the establishment of a new Comorian entity, the Union of the Comoros Islands, within which each island would enjoy broad autonomy in respect of decision-making and administration. This effort has not yet yielded results, since the separatist leaders of Anjouan have so far refused to sign the agreement that they negotiated in Antananarivo. Internal efforts at reconciliation under way since last July have also failed to produce any results. There has been a hardening of positions on both sides, and Moroni has reimposed restrictions on the movement of goods and equipment to Anjouan. After the failure of the Pretoria conference last December due to the intransigence of the separatist leaders of Anjouan with regard to the signing of the Antananarivo agreement, OAU issued an ultimatum, giving them until 1 February 2000 to sign the agreement. When the ultimatum expired, OAU immediately put into effect phased measures to isolate the separatist leaders, freezing their foreign assets and restricting their freedom of movement.

9. In order to deal with the current separatist trends and to safeguard territorial integrity, OAU, acting in cooperation with the League of Arab States, has been mediating since 1997 in an effort to help all Comorian

parties reach a lasting solution leading to the restoration of peace, security and stability.

10. The Secretary-General of the United Nations has reaffirmed his support for the unity and territorial integrity of the Comoros. He has called on the parties to seek a peaceful, negotiated solution to the situation and reiterated his support in that connection for the efforts of OAU and for the Antananarivo agreement negotiated under its auspices. He has also condemned the *coup d'état* of 30 April 1999 and called on Comorians to re-establish the constitutional order.

11. The State has been unable to function normally, owing to the refusal of the political parties and many foreign partners to recognize as legitimate a Government that is the product of a *coup d'état*. The legitimacy crisis, which can be solved only by organizing elections and restoring the constitutional order, and the difficulty of travel throughout the territory, owing to the restrictions on movement imposed in Anjouan by the separatist leaders and those imposed against Anjouan by the Comorian leaders, constitute two major obstacles to technical cooperation activities. Indeed, because of the political uncertainty, the State is not in a position to formulate and implement even a short-term development strategy, and the institutional instability is having an adverse effect on the State's capacity to collect on a regular basis sufficient revenue to fund public services, pay public employees and meet its obligations to its foreign creditors. In Anjouan, the inability to fund public services is exacerbated by fighting among factions, which has created a climate of uncertainty, fear and suspicion on the island that is deterring the population from making a wholehearted commitment to economic and social activities.

12. Lack of resources and the political impasse are helping to tarnish further the image of the country, and it is having difficulty convincing its partners of the soundness of its choices with respect to development and management of public finances and of its present and future viability. This has resulted since 1997 in a marked decline (around 37 per cent between 1996 and 1998) in foreign aid, the main source of funds for public investment. There is, moreover, a general sense of despondency and demoralization among public employees and a lack of confidence on the part of the economic actors and the population. As a result, there is an overall feeling of resignation and this is seriously hampering the implementation of development activities. However, some positive steps have been taken with respect to the improvement of public finances (reduction of the Government's expenditure, repayment of the State's debts to private individuals, efforts to pay arrears owed to the International Development Association (IDA) and the International Fund for Agricultural Development (IFAD)), which, if pursued, should lead to a resumption of the dialogue with the Comoros' main donors.

Recent social and economic developments

13. The Comoros is one of the world's poorest and most densely populated countries. In 1998, the per capita gross national product (GNP) was estimated at US$ 370, down 1.5 per cent from the previous year. During the period 1988-1998, per capita GNP declined by 2.6 per cent per annum and, as a result, poverty worsened and now affects not 47.3 per cent of households, as observed in 1995, but 52.4 per cent. The Comoros' human development index (0.506 in 1999) places it 139th out of 175 countries. This ranking is justified by the adult literacy rate (55.4 per cent of the population in 1997), the infant mortality rate (69 per 1,000 live births) and life expectancy at birth (58.8 years). It must, however, be noted that although the people remain poor in absolute terms, certain social indicators have improved over the past two decades: the most recent figures, for the period 1970-1997, show that the infant mortality rate declined from 159 to 69 per 1,000 and life expectancy at birth rose from 47.8 to 58.8 years.

14. The economy continues to have a dualistic structure quite similar to that which prevailed during the first years of independence. It is divided between the agricultural sector and a bloated tertiary sector. In 1998, agriculture accounted for 38.7 per cent of GDP, while it provided employment for 71.4 per cent of the economically active population, which indicates the low productivity of this sector. Trade and services constitute the major source of wealth creation: 48.5 per cent. The share of the industrial and crafts sectors remains small, only 5.3 per cent. Industrial development has yet to materialize: most enterprises are modest in size and are oriented primarily towards initial processing of agricultural produce for export, construction and small-scale boilermaking. The difficulties in obtaining supplies, the low level of

investment, the unsuitability of the investment code, the drying up of the sources of private sector finance, the lack of a legal and judicial framework for business, and the shortage and high cost of local skilled labour are so many factors that account for the poor performance and lack of development of the private sector.

15. The Comorian economy has performed poorly over the past five years and, in the absence of any economic recovery policy, continues to show real signs of having stalled. This slowing of the pace of wealth creation has resulted in an overall drop in economic activity with, amongst other effects, an annual drop of 2.3 per cent in real GDP per capita between 1995 and 1998. In 1998, there was a modest increase in production. Real GDP, which had dipped in 1997 (-0.7 per cent), is believed to have increased by 1 per cent, though the figures are still preliminary. This slight upturn was accompanied by a small increase in prices. Inflation increased slightly, from 1.6 per cent in 1997 to 1.8 per cent in 1998.

16. Public finances are characterized by a sizeable structural deficit which makes it difficult for the Government to act effectively to revive economic growth. The State's tax revenue, accounting for 16 per cent of GDP, comes essentially from indirect taxes on foreign trade, 72 per cent in 1998 and 64 per cent in 1999. Current expenditures (budgetary and extrabudgetary) came to approximately 20 per cent of GDP in 1998. Capital expenditure remains low because of the lack of matching funds for project-related spending, a measure taken by certain creditors in reaction to accumulated arrears in servicing the external debt.

17. As for the external situation, the terms of trade have deteriorated and there is a structural balance of payments deficit. Exports cover only 13 per cent of imports. External balance-of-payments assistance has been suspended; furthermore, debt-service payments have risen. Between 1987 and 1998, the current account deficit increased from -US$ 16 million to -US$ 25 million. The debt to GDP ratio is estimated at 103.7 per cent and debt-service payments come to approximately 41 per cent of export income in 1998. Net foreign currency assets dropped from 18,765 million Comorian francs in 1997 to 17,737 million Comorian francs, In 1998, down from 19,034 million Comorian francs in 1996. Monetary assets amount to eight months of imports of goods and services, excluding factor income.

18. The social sectors have been particularly hard hit by the deteriorating economic situation. The State budget has allocated very little money for education and training and this has resulted in unprecedented shortages of material and equipment in the schools and in significant deficiencies regarding initial and ongoing teacher training. The same is true of the health sector for it has not received the necessary funding. The qualitative shortcomings of the social and health infrastructures are compounded by a shortage of trained personnel, a general state of decay and shortage of equipment in the health centres and hospitals and the difficulty of obtaining essential drugs.

19. This difficult economic situation, along with very lax management of public resources, has made it impossible for the State to meet its basic obligations such as providing basic social services, paying its staff regularly and honouring its commitments towards its external partners. As a result the country's credibility vis-à-vis its main partners has suffered greatly.

IV. Main development problems

20. The Comoros' many structural problems and its recent history explain to a large extent the delays in the process of economic and social development. In recent years these problems have been compounded by the ineffectiveness of the nation's institutions and the failure to define well-articulated strategic development options capable of creating sustained growth and leading to the implementation of appropriate macroeconomic policies. The economy remains very fragile due to the absence of diversification, the lack of competitiveness, very high factor costs and the very limited domestic market. The drop in national production is reflected in most sectors of the economy.

21. The difficulties typical of any small island developing country — very limited and fragmented domestic market, insufficient arable land and few natural resources, heavy dependence on external prices, distance from international trade routes leading to high transportation costs and lack of flexibility in both supply and demand — have greatly affected the country's development.

22. Because of its heavy dependence on income from the export of a handful of agricultural commodities

(vanilla, cloves, ylang-ylang), which face strong competition from synthetic products, the economy remains very vulnerable. In addition, the unreliability of agricultural tools and traditional farming methods and the degradation of the environment, exacerbated by population pressure, make it difficult to predict the yield and competitiveness of food crops, particularly in a context of regional integration and free movement of goods.

23. Road and airport infrastructures require major overhaul. The international airport requires resurfacing, the deep-water port on Anjouan needs to be dredged and steps must be taken to prevent any further build-up of silt. In order to improve harbour services in the port of Moroni, a harbour station must be created to separate inter-island traffic from international traffic and unloading conditions must also be improved.

24. The contribution of tourism to the economy is quite marginal, considering its potential compared to other islands of the subregion. Currently, there is only one hotel complex that deserves to be called such. The new strategy set out in the master plan for the development of the tourism sector, seeks to promote tourism by taking advantage of the tourism potential of natural sites while at the same time respecting the ecological balance. Implementation of that strategy has, however, encountered financial and logistic difficulties.

V. Structural reforms

25. The Comoros has instituted a number of structural reforms in order to embark on a course of sustainable growth. Four major types of action have been undertaken: macroeconomic reforms, reforms of the administration, privatization of public enterprises, and liberalization of the economy.

26. **Internal adjustment and financial reforms of the public sector**: The economic and financial difficulties of the Comoros have adversely affected internal and external balances. The goal is to remedy the situation by bringing down the consolidated public deficit to a manageable amount, without an accumulation of arrears. A structural revision of the tax system is under way, the goal being to simplify and reduce the number of rates, identify taxpayers and streamline administrative procedures. One aspect of the strategy adopted to contain public expenditure is to reduce the wage bill by reducing the number of civil servants and eliminating duplication.

27. **Reforms of public enterprises**: A reform of public enterprises involving the privatization of management through concession is under way with a view to increasing the efficiency of these enterprises, establishing favourable conditions for the development of the private sector and creating employment. So far, only the national water and electricity company has been privatized. Studies on the privatization of the Comorian oil company and the Comorian ports and maritime transport authority are under way. In addition, studies on the possibility of reorganizing the national postal and telecommunications company by dividing it into two separate bodies, one for postal activities and the other for telecommunications, are in the process of being finalized.

28. **Reforms of the civil service**: The aim is to reduce the number of staff while at the same time improving efficiency. The strategy adopted is to evaluate and redefine the functions and objectives of the public bodies as well as the job descriptions of positions to be filled in order to hire civil servants on the basis of ability.

29. **Measures to benefit the private sector**: The action taken by the public authorities aims to make the private sector the engine of growth for investment, production and employment. Among the actions which are being undertaken are the abolition of administrative measures for the control of foreign trade and prices; the adaptation of the tax structure so as to promote private investment; and the preparation of a legal study and a plan of action to guarantee the execution of contracts and the free opening and closure of enterprises. Recent measures include efforts by the State to establish community-based micro-finance types of credit mechanisms and support and oversight structures for micro-enterprises.

30. **Reduction of population growth**: One of the major problems facing the Comoros is rapid population growth, which increases demand for social services and jobs and puts increased pressure on the fragile ecosystem. In order to keep population growth at an acceptable level, the Government has taken measures to ensure that all Comorians, whatever their income level, have access to family planning services.

31. **Human resources development**: The national policy is designed to improve the quality of primary

education and basic health services. The master plan for education accords priority to the reform of elementary education and the development of technical and professional training, as well as to improving adult literacy rates and enhancing the quality of teaching in general through an increase in its internal and external effectiveness. The Government has undertaken a policy to promote the health of its population through adherence to various strategies, such as the 1978 Declaration of Alma Alta[2] on primary health care as a basic strategy for the development of the health sector, or the Bamako initiative.

32. **Preservation of the environment and proper management of natural resources**: The Government recognizes the principle of integrating the environmental dimension in the formulation and implementation of development programmes. Accordingly, it has adopted a framework law and plan of action on the environment, and ratified international conventions in the area of protection of the environment. The Government has adopted an agricultural development strategy in the context of the national policy on the environment the priority objectives of which are to ensure food security and nutritional balance for the population, promote export crops, encourage the creation of productive employment in the agricultural and para-agricultural sector and ensure sustainable land use.

VI. Foreign aid

33. The Comorian economy is heavily dependent on foreign aid, which is the primary source of financing for public investment and the social sector in the Comoros. Such international assistance increased fast until 1991; however, it has been decreasing rapidly in recent years. Official development assistance (ODA) to the Comoros, all sources combined, has fallen from US$ 60 million in 1990 to a mere US$ 27.8 million in 1998, a decrease of 54 per cent. This decline in aid flows to the Comoros is the result of its development partners' cautious, "wait-and-see" response to the separatist crisis and of a new approach to the granting of assistance on the part of some donors, who have begun to tie such assistance to economic, social and budgetary performance and to the principles of good governance and respect for the rule of law.

34. In 1998, the Comoros received 55.6 per cent of its foreign aid in the form of stand-alone technical cooperation and 40.8 per cent in the form of investment projects. Budgetary assistance remained minimal (2.6 per cent of all assistance), primarily because there has been no structural adjustment programme within the framework of cooperation between the Comoros and the Bretton Woods institutions since 1994. Assistance is concentrated on the transport (US$ 5,500,000), health (US$ 3,900,000), regional development (US$ 3,700,000) and energy (US$ 3,300,000) sectors.

VII. Aid coordination initiatives

35. The Comorian Government does not carry out its major functions in the area of development policy. Since there is little private investment and a great need for infrastructure, public investment is a key aspect of development. The Comoros has no public investment programme (PIP) to translate priorities into State action in the medium term and to establish a frame of reference for the projects of its external partners.

36. With support from the United Nations Development Programme (UNDP), the Government is using the round table institutional mechanism to strengthen the dialogue on policies and strategies with its development partners and to promote the mobilization of external resources. As part of the implementation of the Antananarivo Agreement there will be a general round table meeting for national reconstruction in accordance with the commitments made by OAU, the League of African States, the European Union, France and the United Nations to support the return to peace and reconciliation between the islands.

VIII. Main initiatives of the United Nations system

37. The overall situation of the Comoros in 1999 has not facilitated implementation of the recommendations contained in the relevant General Assembly resolutions on emergency economic assistance to the Comoros. Moreover, the lack of an overall development framework has made it impossible to take maximum advantage of opportunities for cooperation with United Nations agencies at the operational level to support priority national development objectives. In particular, institutional instability has prevented the establishment of a

governmental coordination body and mechanism to promote and support collaboration and cooperation with United Nations agencies and other donors.

38. All the United Nations agencies working in the Comoros (UNDP, the Global Environment Facility (GEF), the United Nations Capital Development Fund (UNCDF), the World Food Programme (WFP), the United Nations Population Fund (UNFPA), the United Nations Children's Fund (UNICEF), the World Health Organization (WHO), the International Labour Organization (ILO) and the Food and Agriculture Organization (FAO)) have understood their responsibility under General Assembly resolution 51/30 F on emergency economic assistance to the Comoros. They have therefore joined forces to take coordinated action in the spirit of this resolution and according to their respective mandates. They have had some success in implementing the resolution individually or in cooperation. This contribution is all the more valued in that it has come at a time when the traditional partners had ceased or greatly reduced their assistance.

39. **UNDP**: The country cooperation framework for the Comoros (1997-2001) focuses on three areas: eradicating poverty by facilitating access to health care for the poor and by creating microenterprises and income-generating activities; protecting the environment and preserving biodiversity; and promoting good governance by providing assistance to the Federal Assembly and establishing a civil registry system. The political events described above and their impact on overall economic performance and on society have led the Government and UNDP to assess the relevance of all the areas covered by the programme.

40. The first two thematic areas covered by the country cooperation framework have proved well-adapted to the current situation and have helped to restore public confidence by giving people a means to earn a living and access to basic services. The Government has also recognized that the activities carried out in these thematic areas are based on, and in turn strengthen, community and group organizations. In fact, these activities are laying the foundation for a system of participatory governance, particularly at the intermediate (village and cantonal) level, by developing representative bodies in civil society with which the State administration will have to cooperate in the future.

41. UNDP activities in the field of health care have played a key role in increasing the availability and accessibility of the public health-care system. The steps taken to build the material and technical capacity of health units have resulted in a clear increase in the number of visits to health centres and have made it possible to provide a significant portion of the population with basic health care. Furthermore, the establishment of transparent resource management systems in health centres has restored community confidence in health centre financial resource management. These systems have already led to remarkable progress in recovering the operating costs of such centres and to a considerable decrease in losses, allowing them to achieve self-financing of essential health-care services. In addition, UNDP support for district-level health care has made it possible to set up community health-care management mechanisms with increased community involvement in their administration.

42. UNDP and **ILO** have continued their joint efforts to consolidate the 1998 achievements in the area of support for micro-entrepreneurs and development of income-generating activities. UNDP activities in this area have helped to further establish micro-enterprise financing mechanisms and have made it possible to place the jobs created in the two previous years on a firm footing. UNDP support in this area has focused on strengthening entrepreneurial capacities and diversifying sources of income and credit among those affected by the crisis.

43. UNDP and **GEF** activities in the area of the environment have achieved significant results. Legal and regulatory frameworks linking sustainable management of the environment to that of natural resources have been developed and approved. With the enactment of endangered species legislation, the international commitments made by the Comoros (the Convention on Biodiversity,[3] the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES) and the Ramsar Convention) will at last be incorporated into and recognized by domestic law. As part of the implementation of national and local programmes to promote the sustainable management of forests and other biological resources, including marine resources, the nation's first sanctuary, the Moheli marine park, has been created. UNDP/GEF programmes have also benefited from synergy with donors, such as the European Union, with which an

ongoing relationship has been established. This synergy has made it easier to coordinate all activities in the field of sustainable development and has improved cooperation by using UNDP/GEF expertise to help identify environmental projects and programmes to be funded under the eighth European Development Fund (EDF) budget.

44. In the area of support for governance, the climate of instability has given UNDP the opportunity to become an indispensable partner on the Comorian scene. In cooperation with the United Nations Department of Economic and Social Affairs (DESA), UNCDF and ILO, UNDP has succeeded in fulfilling the need for research in the country and in studying fundamental problems such as the deterioration of the economy, the rise in poverty, the threat to the country's future posed by the rapid increase in unemployment among young people and the need to finance the health-care system. UNDP study of these issues has encouraged other partners to join the debate and to consider participating in or working in cooperation with UNDP projects in these areas. For example, the *Agence française de développement* (French Development Agency) cooperates closely with UNDP in promoting microfinance and microcredit in the Comoros.

45. UNDP has been the primary interface between the United Nations system and the Bretton Woods institutions and has continued to deploy its resources to prevent the Comoros from being totally cut off from those institution's support. In that context, it organized and cooperated closely with the joint mission carried out in February 1999 by the Organization of African Unity (OAU), the Economic Commission for Africa (ECA), the African Development Bank (ADB) and the World Bank in order to prepare for the holding of a donors' round table immediately following the Comorian Inter-Island Conference, held in Antananarivo in April 1999.

46. UNDP has also continued to remind the Government of the need to honour its commitments to the World Bank and the International Fund for Agricultural Development (IFAD) and has served as a channel of communication between the World Bank and the Comorian Government. These activities have had a significant effect and have led to a renewal of dialogue between the Government of the Comoros and the World Bank and to the cancellation of all IDA and IFAD debt arrears in late December 1999.

47. The primary contribution of UNDP has been to lead political discussion and debate back to the issues relating to egalitarian development and the need for sustained, equitably shared resource generation, and to those raised in the report of the Secretary-General of the United Nations and in the relevant resolutions.

48. Furthermore, it appears inevitable that elections will have to be organized soon so that the country can emerge from its current political impasse. Accordingly, negotiations are under way between UNDP and the European Union with a view to forging a partnership to support any such electoral process.

49. **UNFPA**: Although UNFPA assistance was not adapted to the needs outlined in resolution 51/30 F, its characteristic flexibility, its ordinary consultation mechanisms with the Government and the quality of its relationship with the bureau of the resident coordinator during the period under review enabled it to take into account any urgent needs which arose among the population and respond in accordance with the UNFPA mandate.

50. In the field of reproductive health, UNFPA has provided assistance in the elaboration of district plans of action for the introduction of integrated reproductive health services in UNDP and UNFPA priority districts with the active participation of the local communities in the health activities relating to them. As a result, it has been possible, in particular, not only to count on their effective contribution in the formulation of district plans of action on reproductive health but also to entrust them with material for obstetrical emergencies.

51. UNFPA assistance has also enabled the Government to enhance the technical capacities of government and community institutions to improve the quality, reliability and usefulness of existing data on population and gender and to establish a database on population and reproductive health.

52. Moreover, UNFPA provided emergency assistance to cover the basic reproductive health needs of displaced populations of the Island of Anjouan in the wake of the December 1998 conflict between rival militia groups on this secessionist island.

53. **UNICEF**: The Government's cooperation programme for the period 1997-2001 includes health/nutrition, education and social planning programmes. Under the health programme, UNICEF

support has made it possible to provide priority health districts with supplies of essential medicines and teaching materials in the context of implementing health reforms. UNICEF has also provided vaccines, clinic equipment and cold chains and ensured their distribution on the three islands. A survey of vaccine coverage was taken in February 2000. With a view to health promotion, UNICEF has also become involved in malaria control through the distribution of mosquito nets treated with insecticide. It has provided emergency assistance through the distribution of goods to satisfy the basic needs of displaced families with children who were victims of the December 1998 conflict between rival militia groups on the island of Anjouan.

54. UNICEF support under its education programme made it possible to forge an official partnership between the school and local actors through the establishment of school boards as a means of mobilizing various local leaders in the promotion of basic education. This support has also led to reduced education costs for families through a substantial contribution to basic student and teacher supplies. UNICEF support also included national capacity-building through the participation of national counterparts in various regional workshops on statistics and girls' education, particularly with regard to the quality and financing of basic education.

55. Assistance under the UNICEF social planning programme is provided within the context of the implementation of the Convention on the Rights of the Child,[4] ratified by the Comorian Government in 1993, and the Convention on the Elimination of All Forms of Discrimination against Women,[5] signed in 1994. Such assistance should lead to a number of legal reforms and ensure better protection of the child. UNICEF assistance also made it possible to successfully launch an operation to register the births of children at birth and to encourage families with children 18 years of age and under, for whom there is no vital statistics record, to obtain a birth certificate through the courts instead. The campaign, launched on 2 November 1999, has thus far led to the registry of 14,000 children in six prefectures of Grande Comore.

56. **WFP**: WFP, in cooperation with UNDP, financed a food assistance operation in Anjouan from February to April 1999, following the internecine conflicts which triggered inter- and intra-island population displacements in December 1998. This initiative, combined with the resumption of activities by United Nations agencies on the island of Anjouan in March 1999, helped bring about a sharp reduction in the island's absolute poverty and improve the health conditions of its deprived populations.

57. **UNCDF**: As part of its activities to facilitate the access of poor populations to basic health services, UNCDF, in cooperation with UNDP, launched a pilot programme to set up a system of community mutual health insurance companies in five villages, with very promising initial results. At the request of the Government and the beneficiaries, this activity was extended for a two-year period beginning in January 2000, initially, to all the villages of the island of Grande Comore and, subsequently, to the other islands, with co-financing from UNDP/UNCDF.

58. **WHO**: Technical cooperation between the Comoros and WHO is aimed at supporting the country in attaining priority objectives, including a slowdown in population growth, an improvement in the public health system and effective grass-roots participation in health services management.

59. WHO support revolved mainly around the preparation of pharmacy guidelines, and the formulation of a national blood transfusion policy and a national oral hygiene strategy. WHO assistance for a further updating of the health policy, launched in late 1999, should also provide the Comoros with a medium-term framework for discussion that is more structured and geared to renewing dialogue with its partners on the implementation of the reforms under way.

60. **FAO**: FAO helped with the final development of a Special Food Security Programme for the Comoros, elaborated with financing from the Islamic Development Bank. This programme should lead, beginning in 2000, to the renewal and improvement of rural household food production. As for food and nutrition surveillance activities, FAO, in cooperation with UNICEF and WHO, launched the preparation and dissemination of a National Plan of Action for Nutrition.

61. Generally, the impact of the activities of the agencies of the United Nations system in the Comoros in 1999 has been more far-reaching than would appear from the actions reviewed above. The fact that these agencies have maintained a presence and have continued their activities despite the political difficulties has reassured the Comorians that they have not been abandoned by the international community.

The programmes of the United Nations agencies have prevented the health system from collapsing and have facilitated local activities and dialogue between the formal and informal sectors. They have contributed to the strengthening of grass-roots organizations and, to some extent, to the gradual establishment of an intermediate level of governance, which will make a significant contribution to democracy in the Comoros.

IX. Support received from other donors

62. In general, the sources of financing from official development assistance to the Comoros are fairly lacking in diversity. In fact, the official development assistance received by the Comoros has decreased steadily for the past three years. It is estimated to have dropped from US$ 60 million in 1991 to $43 million in 1996, to $27 million in 1998 and to $18 million in 1999. The assistance received in the past two years from the principal donors is listed below.

63. **France**, which remains the Comoros' foremost development partner — it has provided slightly more than one third of overall assistance in recent years — is providing less aid than it did prior to the separatist crisis. In the past two years, the assistance has been concentrated mostly in the areas of human resources development, health, regional development, transport and development administration.

64. **The European Union** is the chief multilateral donor. It alone provides, on average, more than 45 per cent of the multilateral assistance to the Comoros, making it the second leading development partner after France. European Union assistance in the past two years has been earmarked for the construction of road and port infrastructure and the agricultural sector.

65. **World Bank**: As for multilateral assistance, the contribution of the Bretton Woods financial institutions which, in 1998, accounted for 14.8 per cent of total development assistance, declined steadily for the fourth consecutive year. The International Monetary Fund (IMF) has made no disbursement. Assistance from the International Development Association (IDA) has been allocated mainly to investment projects in the area of road transport, community development and support to small and medium-sized businesses and to the education and health sectors. In 1998, the Comoros did not receive any assistance from the Bretton Woods institutions, since all disbursements were suspended when it stopped making debt-servicing payments.

66. **China**, the second leading bilateral donor of the Comoros, concentrated its assistance essentially in the health sector and infrastructure.

67. **Japan**, the third largest bilateral donor, provided food aid through counterpart funds to finance investments in the social sector and major medical and surgical equipment for the country's main hospital.

X. Conclusions and recommendations

68. The particularly difficult political and economic context inherent in the separatist crisis which has been undermining the Comoros since 1997, coupled with the drying up of sources of financing and the political impasse, are helping to further tarnish the country's image and it has had difficulty getting its partners to support the choices it has made with regard to development and the management of public finances, and convincing them of its present and future viability. This, compounded by the international community's disapproval following the military *coup d'état* of April 1999, has prompted most of the country's development partners, including France, the World Bank and the European Union — who traditionally provide more than 80 per cent of all official development assistance — to withdraw or to adopt a wait-and-see attitude. Relegation of the Antananarivo agreement to the back burner caused the country to miss the opportunity to hold a donors' round table which was to have been sponsored by the Organization of African Unity (OAU) and official observers, including the United Nations, the League of Arab States, the European Union, France and the countries of the Indian Ocean Commission (IOC).

69. The political context has been marked by institutional instability and has not facilitated the introduction of a suitable framework for consultation to mobilize donors and maintain assistance at a level that would make it possible to attain the objectives of General Assembly resolution 53/1 F of 16 November 1998 concerning special emergency economic assistance to the Comoros. The situation of the Comoros, as it is today, still justifies retaining the

content of this resolution, since it remains serious and relevant.

70. To that end, we suggest that this resolution be referred to the Economic and Social Council with a view to initiating a reconstruction and rehabilitation programme so as to lay the groundwork for national economic recovery on a sound basis. This is a prerequisite for the establishment of lasting peace and harmony and reconciliation among the islands.

Notes

[1] Paris and Brussels: De Boeck-Larcier, S. A., 1998.

[2] *Alma-Ata 1978: Primary health care* (Geneva, WHO, 1978), reprinted 1983 ("Health for All" Series, No. 1).

[3] United Nations Environment Programme, *Biodiversity Convention* (Environmental Law and Institution Programme Activity Centre), June 1992.

[4] General Assembly resolution 44/25, annex.

[5] General Assembly resolution 34/180, annex.